



KINGDOLLAR
M O N E Y

North American Transaction System White Paper

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THE WHITE PAPER

A. Definitions

North American Transaction System – a Blockchain based transaction system using King Dollar Money Limited’s Decentralized Coded Escrow Contract enabling USA Partners to transfer payment for goods and services with deferred income and no capital gains without any intermediaries or their excessive fees. The transactions fees assessed when Decentralized Coded Escrow Contracts close are disbursed primarily to Owners of King Dollars (25%) & Owners of King Dollar Energy reWards (73%) maintaining the currency within the network.

Decentralized Coded Escrow Contract – A personal, professional or commercial digital contract created by a member of the King Dollar Club opening the opportunity for Club members to 1) transfer King Certificates representing members’ personal property (currency) held in the King Dollar Trust, 2) acquire goods/services from other Club members and 3) act as their own escrow agents without an intermediary in order to connect the physical world with the digital world. An important benefit of King Dollar Money Limited’s Decentralized Coded Escrow Contract is the capability to leave reviews of interactions with other members on an immutable ledger.

King Certificates – Certificates for property (currency) held by the King Dollar Trust enabling the beneficiaries of the Trust to transfer currency between one another without an intermediary. Each King Certificate is redeemable for the same amount of underlying currency that the King Certificates represent. King Certificates are collateralized by the King Dollar Money Limited’s King Dollars held in the King Dollar Trust. This establishes the first Silver collateralized decentralized exchange in the world. King Certificates use the Decentralized Coded Escrow Contract operating on Distributed Ledger Technology to ensure transparent accounting and linkage between the Trust’s property (currency) and King Certificates. The primary King Certificate is the King Dollar, secondary King Certificates include King Bit (Bitcoin), King Lite (Litecoin), King E (EOS) and King Piv (PIVX). With currency held in the King Dollar Trust, beneficiaries enjoy deferred income with no capital gains until they withdraw their property from the Trust when they choose to assume personal ownership as dictated by their personal wants and needs. When transactions to acquire goods or services are conducted between beneficiaries of the King Dollar Trust - individuals, associations, private businesses – using King Certificates there is no cost basis to calculate and no income to report.

King Dollars – Deed of ownership for U.S. Mint Legal Tender Dollars of Silver vaulted in Utah by United Precious Metals Association. King Dollars are non-taxable property and can be used as collateral for Metal Miner Invoice Factoring. The pool of King Dollar owners enjoy 25% of the transaction fees generated from all completed Decentralized Escrow Coded Contract AND no vaulting or insurance fees.

Metal Miner Invoice Factoring – a new concept, a new value proposition designed to cut off the perceived supply of precious metals available to be sold at CME Group announced debt currency exchange rates. King Dollar Money Limited will use King Dollars as collateral to acquire Metal Miner’s invoices in exchange for their precious metal doré. King Dollar Money Limited will offer industrial users and investors to pay-off the invoice in exchange for the precious metal doré. The excess margin earned by King Dollar Money Limited will be split between the King Dollar owners, Energy reWard owners and King Dollar Money Limited.

Energy reWards – the accounting of rewards generated from the small transaction fees every time a Decentralized Escrow Coded Contract is completed. Only 1,000,000 Energy reWards will ever be created and will be split between the King Dollar Trust, King Dollar Money Limited and the individuals who reserve a position in the King Dollar Club Line (in a decreasing ladder formation). Energy reWards earn 73% of the transaction fee charged in the Decentralized Coded Escrow Contract. Energy reWards provide energy security but are NOT an SEC “Security” as there is no investment of capital to acquire them before the North American Transaction System’s private launch. ReWards provide an avenue of valuation of the King Dollar Club as Energy reWard owners receive King Certificates.

Ticket to Ward – these tickets are sold by King Dollar Money Limited to those who have reserved a position in the King Dollar Club Line after they discover and submit a reusable ticket code with their reservation request. Purchased tickets also grant the owner access to Documentaries (downloadable) produced by King Dollar Money Limited. A reusable Ticket to Ward is required to enter the Line and a ticket code can be found on Youtube. A Ticket to Ward cannot be acquired until the individual has already reserved a position in the King Dollar Club Line. An aspiring King

Dollar Club member must use another member's Ticket to Ward code. Tickets to Ward are reusable codes and the owners receive 1% of the future transaction fees generated by the individuals who use their Ticket to Ward code to reserve a position in the King Dollar Club Line. A Ticket to Ward can be acquired by sending 19 "USD" equivalent of the cryptocurrency Litecoin (public key address provided to individuals in Line). 90% of this Litecoin will be sent to the King Dollar Trust in order to collateralize the King Certificates. Half of this 90% will be used to acquire Dollars of Silver while the other half of the 90% will remain in Litecoin. Individuals may use a reusable ticket code to join the King Dollar Club Line and then purchase a Ticket to Ward and refer their entire network in order to capture future yield from their entire human network.

King Dollar Money Limited – a Colorado based Service Disabled Veteran Owned Small Business, fiduciary for the King Dollar Trust and General Partner of the United States Association Partnership.

King Dollar Trust – Trust setup in Colorado to hold the property of USA Partners who are the exclusive beneficiaries.

United States Association Partnership – a Colorado based Limited Liability Partnership Association established by the members of the King Dollar Club. The Partners agree to exchange property held in the King Dollar Trust via the North American Transaction System. The General Partner will be King Dollar Money Limited while Limited Partners are required to be North American residents (via vetted proof of residency). Limited Partner status may be created for children and minors by their parent(s) or legal guardian.

King Dollar Club – a private virtual club open to North American residents who agree to follow the Silver Rule – "Do not do unto others as you would not have done unto you" - and engage in transactions of King Dollar Trust certificates across Distributed Ledger Technology. To Join the Club and reserve their position in Line for the USA Partnership individuals must have a reusable Ticket to Ward code in order to receive their respective allotment of Energy reWards. Reusable Ticket to Ward codes are posted on Youtube by various Ticket to Ward owners who see the potential in sharing their unique code with their developed human network of followers/patrons and the public at large to attract more individuals to the King Dollar Club. Reserve positions in Line at www.kingdollar.money. The Amish already have a Ticket to Ward and are joining the Line...

King Dollar Club Line – "Join Join Join the Line Line Line!" before others to reserve a pre-determined number of Energy reWards. The decreasing ladder formation of Energy reward distribution incentivizes individuals to be first movers and join the line before other North American residents realize the power of the Energy reWard structure.

Cryptocurrency aWards – also known as Crypto aWards are Cryptocurrency certificates offered by the USA Partnership using the King Dollar Trust that provide a sponge for the inflationary units of the decentralized Proof of Work cryptocurrencies supported by the Trust. Crypto aWards are issued via King Certificates to the beneficiaries who opt-in and supply their computing power to the King Dollar Club mining pools when the pool solves blocks. The King Dollar Trust holds the private keys protecting the Crypto aWard recipients from taxable income and cost basis denominate in "USD".

North American Resident – an individual living in the States of the Union (including Hawaii), Mexico and Canada.

Federal Reserve Note – a promissory note issued by the non federal no reserve credit monopoly cartel that has no settlement date, no interest rate and factually only redeemable for another federal reserve note. A currency proffered of an insurrection against the United States' Constitution. The United States Treasury states: "[the notes have no value](#)" but legal tender laws require them to be accepted by corporations. Private businesses are free to develop their own policies on whether or not to accept federal reserve notes unless there is a State law which says otherwise.

"USD" – NOT a United States Dollar but an unlimited digital claim on a federal reserve note created electronically by the federal reserve corporate banks and credit unions. "USD" represents digital debt that the users owe to themselves in the future. "USD" steals energy, liberty and time from the future to allow users to consume and exchange today. A mathematical fallacy!

B. Introduction

King Dollar Money Limited (the “Company”), was formed in January 2018, with the purpose of creating a better monetary transaction system than currently exists, the North American Transaction System (NATS). The Company’s legal structure was formed as a limited liability company (LLC) under the laws of the State of Colorado on January 31, 2018. Its principal offices are presently located at 154 Virginia Ct, Alamo, California 94507. The Company’s telephone number is 719-310-1270.

Please note, some of this White Paper uses words, phrases and paragraphs from the EOS.IO Technical White Paper V2 and references Block.one’s copyright.

There are many different layers at which we can understand the NATS.

Each layer has its own benefit and usefulness. Many of the bullets in the following section were re-used from Daniel Larimer’s “What is Bitshares” article. NATS is a decentralized application that operates on the EOS.IO protocol and imitates Bitshares in many ways.

C. The North American Transaction System

- ***NATS is Software***

At its most inner layer, NATS is software. To be more specific, NATS is a distributed multi-user database with update permissions managed by a defined set of rules and public key cryptography. At this level it isn’t very interesting to most people, but is still very important. Software is open source, easily copied and modified, and most importantly protected by free speech. This means that almost nothing can stop NATS at this layer short of a global event that destroys almost all digital data. Governments once attempted to regulate cryptographic software as a weapon and impose export controls. Governments lost that battle long ago and no longer attempt to regulate or control the spread of free software. In the case of NATS the software is in the Public Domain.

- ***NATS is a Network***

Moving up a layer, NATS is a network. A network of computers owned by individuals all over the North American continent run the NATS software and keep their databases synchronized according to the rules defined by the software. The NATS network can survive as long as there are at least two computers that can communicate with each other over the internet. This network of distributed computers ensures that the database is robust against failure. Every single computer on the network can maintain a full copy of the database which means no one can change the public record. This immutable public record becomes the foundation of higher layers.

- ***NATS is a Ledger***

A ledger is a database containing account balances and transfers among them. Every bank, company, and organization that deals in financial matters has a ledger that tracks who owns what. The NATS ledger is very robust because it is built on the prior two layers: highly distributed network, which is fully transparent, and secured by the latest cryptography.

Compare this to ledgers in use all around the world today. Ledgers based upon paper can be lost, stolen, modified, burned, or miscalculated. Digital ledgers managed by software such as Quick Books or Quicken are centrally managed, can be updated, changed, back dated, corrupted or

otherwise misused. Advanced ledgers such as is in use by our banking system are still subject to human error, lack transparency, are only backed up a hand full of places and often times are internally inconsistent. Marc Ward's father, a director of finance for an architecture consulting firm, relayed a disturbing story. In December 2018, a client of his company WITHDREW 80,000 "USD" from their bank account instead of DEPOSITING! The error took a whole business day to correct on the bank's private ledger, but this story proves how the non federal no reserve credit monopoly is outdate and ready for replacement.

Just ask the owners of MF Global where the depositors' funds went? Ask any of the big banks who really owns the gold and how many times the same ounce of gold has been used as collateral; they cannot tell you with any degree of certainty. The ledgers in use today around the world are fundamentally broken when it comes to reliably tracking property rights. How do we know they are broken? Have you ever heard of cooking the books? Today's ledgers have insufficient technological barriers against fraudulent edits; the ultimate protection is a manual audit, but audits are time-consuming, expensive, non-public and only as trustworthy as the auditor (think about Enron).

The NATS ledger changes the game by providing a badly needed advancement in accountability.

- ***NATS is a Partnership***

Partnerships are merely a ledger tracking joint ownership in a common venture. Partnerships issue contracts which are nothing more than a ledger entry tracking what percent of the partnership each individual owns. Partnerships are managed by a General Partner whose decisions are logged in the Partnership's ledger. Partnerships have a business model that hopes to earn profit for the Partners and they maintain detailed records of all business transactions which, in theory, can be audited by the Limited Partners to ensure General Partner is not embezzling money.

In the case of NATS, the database tracks ownership of property held in Trust, King Certificates. NATS is a partnership in the business of processing transactions for a fee and the profits from this business are shared with the partners via immediate direct distribution. The G.P. does not make any investments for the L.P.'s but instead seeks to increase the number of transactions and exchange value of the currencies held in the Partnership's Trust.

- ***NATS is an Exchange***

The New York Stock exchange is a company that maintains a ledger to track ownership of stock and debt issued by other companies. It earns money from transaction fees and has its own stock as well. Like the New York Stock exchange, NATS allows people to issue their stock or property to be tracked and traded on its distributed ledger.

NATS delivers goods and services by connecting the digital world with the physical world.

- ***NATS is a Digital Decentralized FleeMarket***

Any member of the King Dollar Club can easily create their own escrow contracts in order to sell their time & services or property. Whether a chicken farmer needs to sell a dozen eggs to a local baker who requires these fresh eggs to produce their product or a teenager who can clean gutters in their spare time, NATS enables members to communicate and pay for goods and services without an intermediary, taxes or regulations. A review system built into the NATS' Decentralized Coded Escrow Contract enables the transfer of knowledge from the contracts executed between

members. This review capability, published on an immutable ledger, creates incentives for best behavior as no one in the future would buy rotten eggs or hire a lazy worker.

- ***NATS is a Trust***

A trust is a fiduciary relationship in which one party, known as a trustor, gives another party, the trustee, the right to hold title to property or assets for the benefit of a third party, the beneficiary. Trusts are established to provide legal protection for the trustor's assets, to make sure those assets are distributed according to the wishes of the trustor, and to save time, reduce paperwork and, in some cases, avoid or reduce inheritance or estate taxes. In finance, a trust can also be a type of closed-end fund built as a public limited company.

Trusts are created by settlors (an individual along with his or her lawyer) who decide how to transfer parts or all of their assets to trustees. These trustees hold on to the assets for the beneficiaries of the trust. The rules of a trust depend on the terms on which it was built. In some areas, it is possible for older beneficiaries to become trustees. For example, in some jurisdictions, the grantor can be a lifetime beneficiary and a trustee at the same time.

A trust can be used to determine how a person's money should be managed and distributed while that person is alive, or after their death. A trust helps avoid taxes and probate. It can protect assets from creditors, and it can dictate the terms of an inheritance for beneficiaries. The disadvantages of trusts are that they require time and money to create, and they cannot be easily revoked.

NATS beneficiaries have direct claim on the property held in Trust.

- ***NATS transmits both Legal Tender and non-Legal Tender Currency***

Anything can be used as money in the right circumstances. Silver, gold, giant stones, salt, debt, and cigarettes have all been used as money. The powerful families of old have often used bearer shares (paper stock certificates) as a form of money. In the case of NATS there are many different assets that can be used as money including King Dollars, King Bit, King Lite, King E, King Piv and Energy reWards. All of these assets have the property of being fungible, divisible, transportable, and impossible to counterfeit.

The best currency is like a Flux Capacitor. It can move energy through time and space as quickly as possible with minimal loss. Silver is great at moving energy through time, as demonstrated by the fact that silver mined 3000 years ago still has exchange capability today. Debt currencies produced by the Central Banking Cartel have a shelf life and require psychological manipulation to maintain a going concern. Unfortunately, Silver and paper money are not very efficient at moving energy through space. Physically moving boxes of silver or hundred federal reserve note bills long distances or across borders is very time consuming and expensive.

Bank deposits are very efficient at moving owed energy through space via wire transfers, but they are still expensive and relatively slow (days). Bank deposits denominated in "USD" can also lose all of their value far more often than federal reserve notes because banks regularly go bankrupt.

With NATS and King Dollars, you get many properties of silver (such as stored energy and freedom from counter-party risk), as well as the benefits of bank deposits (you can transfer millions of U.S. Mint Dollars of Silver to the other side of North America in seconds).

- ***NATS is a Community***

A piece of software powering a distributed network is worthless without people coming together to give value to the currencies on the ledger entries. Each and every person that joins the NATS community adds energy to the ledger and gains value from the fellow community members. All things start small with just a few people.

Communities are brought together around common values and principles. They support each other through thick and thin. As the founder of NATS, this community is largely brought together by the principles I espouse: Creating legal tender, decentralized, market-based solutions to secure life, liberty, and property for all.

While we have a long way to go, it is my vision to grow NATS to the point where the ecosystem is able to make governments highly irrelevant to our daily lives. This means all dispute resolution and law enforcement will be managed by the NATS community in an entirely non-violent manner by leveraging smart contracts, bonds, insurance, and other systems on the NATS ledger.

- ***NATS is an Idea... ...whose time has come!***

The specific software, network, and ledger that NATS is today has very real limitations. But the idea behind NATS, King Certificates, and non-violent self governance is so powerful that all the forces in the world cannot stop it. The idea will live on in one form or another. The entire concept of numbers on a ledger having exchange capability exists entirely in the collective mind of the NATS community. It doesn't matter what form that ledger takes, what matters is that we all share a common idea regarding who owns what. We no longer rely on governments to be the arbiter of property rights. NATS, the software, is just a tool that enables our community to reach unambiguous consensus on property rights. In many ways, it is no different than Rai stones which are large immovable stones used as money which were valued because of community consensus.

NATS is a small hut on regional scale. Our community is open to all North American residents who wish to create a free society where our children can be secure in life, liberty, and property.

D. EOS.IO Protocol

“Abstract: The EOS.IO software introduces a new blockchain architecture designed to enable vertical and horizontal scaling of decentralized applications. This is achieved by creating an operating system-like construct upon which applications can be built. The software provides accounts, authentication, databases, asynchronous communication, and the scheduling of applications across many of CPU cores or clusters. The resulting technology is a blockchain architecture that may ultimately scale to millions of transactions per second, eliminates user fees, and allows for quick and easy deployment and maintenance of decentralized applications, in the context of a governed blockchain.”

EOS.IO software utilizes the only known decentralized consensus algorithm proven capable of meeting the performance requirements of applications on the blockchain, Delegated Proof of Stake (DPOS). Under this algorithm, those who hold tokens on a blockchain adopting the EOS.IO software may select block producers through a continuous approval voting system. Anyone may choose to participate in block production and will be given an opportunity to produce blocks, provided they can persuade token holders to vote for them.

The EOS.IO software enables blocks to be produced exactly every 0.5 second and exactly one producer is authorized to produce a block at any given point in time. If the block is not produced at the scheduled time, then the block for that time slot is skipped. When one or more blocks are skipped, there is a 0.5 or more second gap in the blockchain.

Using the EOS.IO software, blocks are produced in rounds of 126 (6 blocks each, times 21 producers). At the start of each round 21 unique block producers are chosen by preference of votes cast by token holders. The selected producers are scheduled in an order agreed upon by 15 or more producers.

If a producer misses a block and has not produced any block within the last 24 hours they are removed from consideration until they notify the blockchain of their intention to start producing blocks again. This ensures the network operates smoothly by minimizing the number of blocks missed by not scheduling producers who are proven to be unreliable.

Under normal conditions a DPOS blockchain does not experience any forks because, rather than compete, the block producers cooperate to produce blocks. In the event there is a fork, consensus will automatically switch to the longest chain. This method works because the rate at which blocks are added to a blockchain fork is directly correlated to the percentage of block producers that share the same consensus. In other words, a blockchain fork with more producers on it will grow in length faster than one with fewer producers, because the fork with more producers will experience fewer missed blocks.

Furthermore, no block producer should be producing blocks on two forks at the same time. A block producer caught doing this will likely be voted out. Cryptographic evidence of such double-production may also be used to automatically remove abusers.

Byzantine Fault Tolerance is added to traditional DPOS by allowing all producers to sign all blocks so long as no producer signs two blocks with the same timestamp or the same block height. Once 15 producers have signed a block the block is deemed irreversible. Any byzantine producer would have to generate cryptographic evidence of their treason by signing two blocks with the same

timestamp or blockheight. Under this model, a irreversible consensus should be reachable within one second.

- *Transaction Confirmation*

Typical DPOS blockchains have 100% block producer participation. A transaction can be considered confirmed with 99.9% certainty after an average of 0.25 seconds from time of broadcast.

In addition to DPOS, EOS.IO adds asynchronous Byzantine Fault Tolerance (aBFT) for faster achievement of irreversibility. The aBFT algorithm provides 100% confirmation of irreversibility within 1 second.

- *Transaction as Proof of Stake (TaPoS)*

The EOS.IO software requires every transaction to include part of the hash of a recent block header. This hash serves two purposes: 1) prevents a replay of a transaction on forks that do not include the referenced block; and 2) signals the network that a particular user and their stake are on a specific fork.

Over time all users end up directly confirming the blockchain which makes it difficult to forge counterfeit chains as the counterfeit would not be able to migrate transactions from the legitimate chain.

- *Accounts*

The EOS.IO software permits all accounts to be referenced by a unique human readable name of up to 12 characters in length. The name is chosen by the creator of the account. The account creator must reserve the RAM required to store the new account until the new account stakes tokens to reserve its own RAM.

In a decentralized context, application developers will pay the nominal cost of account creation to sign up a new user. Traditional businesses already spend significant sums of money per customer they acquire in the form of advertising, free services, etc. The cost of funding a new blockchain account should be insignificant in comparison. Fortunately, there is no need to create accounts for users already signed up by another application.

- *Actions & Handlers*

Each account can send structured Actions to other accounts and may define scripts to handle Actions when they are received. The EOS.IO software gives each account its own private database which can only be accessed by its own action handlers. Action handling scripts can also send Actions to other accounts. The combination of Actions and automated action handlers is how EOS.IO defines smart contracts.

To support parallel execution, each account can also define any number of scopes within their database. The block producers will schedule transaction in such a way that there is no conflict over memory access to scopes and therefore they can be executed in parallel.

- *Role Based Permission Management*

Permission management involves determining whether or not an Action is properly authorized. The simplest form of permission management is checking that a transaction has the required signatures, but this implies that required signatures are already known. Generally, authority is bound to individuals or groups of individuals and is often compartmentalized. The EOS.IO

software provides a declarative permission management system that gives accounts fine grained and high-level control over who can do what and when.

It is critical that authentication and permission management be standardized and separated from the business logic of the application. This enables tools to be developed to manage permissions in a general-purpose manner and also provide significant opportunities for performance optimization.

Every account may be controlled by any weighted combination of other accounts and private keys. This creates a hierarchical authority structure that reflects how permissions are organized in reality and makes multi-user control over accounts easier than ever. Multi-user control is the single biggest contributor to security, and, when used properly, it can greatly reduce the risk of theft due to hacking.

EOS.IO software allows accounts to define what combination of keys and/or accounts can send a particular Action type to another account. For example, it is possible to have one key for a user's social media account and another for access to the exchange. It is even possible to give other accounts permission to act on behalf of a user's account without assigning them keys.

- *Named Permission Levels*

Using the EOS.IO software, accounts can define named permission levels each of which can be derived from higher level named permissions. Each named permission level defines an authority; an authority is a threshold multi-signature check consisting of keys and/or named permission levels of other accounts. For example, an account's "Friend" permission level can be set for an Action on the account to be controlled equally by any of the account's friends.

Another example is the Steem blockchain which has three hard-coded named permission levels: owner, active, and posting. The posting permission can only perform social actions such as voting and posting, while the active permission can do everything except change the owner. The owner permission is meant for cold storage and is able to do everything. The EOS.IO software generalizes this concept by allowing each account holder to define their own hierarchy as well as the grouping of actions.

- *Permission Mapping*

EOS.IO software allows each account to define a mapping between a contract/action or contract of any other account and their own Named Permission Level. For example, an account holder could map the account holder's social media application to the account holder's "Friend" permission group. With this mapping, any friend could post as the account holder on the account holder's social media. Even though they would post as the account holder, they would still use their own keys to sign the Action. This means it is always possible to identify which friends used the account and in what way.

- *Evaluating Permissions*

When delivering an Action of type "Action", from @alice to @bob the EOS.IO software will first check to see if @alice has defined a permission mapping for @bob.groupa.subgroup.Action. If nothing is found then a mapping for @bob.groupa.subgroup then @bob.groupa, and lastly @bob will be checked. If no further match is found, then the assumed mapping will be to the named permission group @alice.active.

Once a mapping is identified then signing authority is validated using the threshold multi-signature process and the authority associated with the named permission. If that fails, then it traverses up to the parent permission and ultimately to the owner permission, @alice.owner.

- *Default Permission Groups*

The EOS.IO technology also allows all accounts to have an "owner" group which can do everything, and an "active" group which can do everything except change the owner group. All other permission groups are derived from "active".

- *Parallel Evaluation of Permissions*

The permission evaluation process is "read-only" and changes to permissions made by transactions do not take effect until the end of a block. This means that all keys and permission evaluation for all transactions can be executed in parallel. Furthermore, this means that a rapid validation of permission is possible without starting costly application logic that would have to be rolled back. Lastly, it means that transaction permissions can be evaluated as pending transactions are received and do not need to be re-evaluated as they are applied.

All things considered, permission verification represents a significant percentage of the computation required to validate transactions. Making this a read-only and trivially parallelizable process enables a dramatic increase in performance.

When replaying the blockchain to regenerate the deterministic state from the log of Actions there is no need to evaluate the permissions again. The fact that a transaction is included in a known good block is sufficient to skip this step. This dramatically reduces the computational load associated with replaying an ever growing blockchain.

- *Actions with Mandatory Delay*

Time is a critical component of security. In most cases, it is not possible to know if a private key has been stolen until it has been used. Time based security is even more critical when people have applications that require keys be kept on computers connected to the internet for daily use. The EOS.IO software enables application developers to indicate that certain Actions must wait a minimum period of time after being included in a block before they can be applied. During this time, they can be cancelled.

Users can then receive notice via email or text message when one of these Actions is broadcast. If they did not authorize it, then they can use the account recovery process to recover their account and retract the Action.

The required delay depends upon how sensitive an operation is. Paying for a coffee might have no delay and be irreversible in seconds, while buying a house may require a 72 hour clearing period. Transferring an entire account to new control may take up to 30 days. The exact delays are chosen by application developers and users.

- *Recovery from Stolen Keys*

The EOS.IO software provides users a way to restore control of their account when keys are stolen. An account owner can use any owner key that was active in the last 30 days along with approval from their designated account recovery partner to reset the owner key on their account. The account recovery partner cannot reset control of the account without the help of the owner.

There is nothing for the hacker to gain by attempting to go through the recovery process because they already "control" the account. Furthermore, if they did go through the process, the recovery partner would likely demand identification and multi-factor authentication (phone and email). This would likely compromise the hacker or gain the hacker nothing in the process.

This process is also very different from a simple multi-signature arrangement. With a multi-signature transaction, another entity is made a party to every transaction that is executed. By contrast, with the recovery process the recovery partner is only a party to the recovery process and has no power over the day-to-day transactions. This dramatically reduces costs and legal liabilities for everyone involved.

- *Deterministic Parallel Execution of Applications*

Blockchain consensus depends upon deterministic (reproducible) behavior. This means all parallel execution must be free from the use of mutexes or other locking primitives. Without locks there must be some way to guarantee that transactions that may be executed in parallel do not create non-deterministic results.

The June 2018 release of EOS.IO software will run single threaded, yet it contains the data structures necessary for future multithreaded, parallel execution.

In an EOS.IO software-based blockchain, once parallel operation is enabled, it will be the job of the block producer to organize Action delivery into independent shards so that they can be evaluated in parallel. The schedule is the output of a block producer and will be deterministically executed, but the process for generating the schedule need not be deterministic. This means that block producers can utilize parallel algorithms to schedule transactions.

Part of parallel execution means that when a script generates a new Action it does not get delivered immediately, instead it is scheduled to be delivered in the next cycle. The reason it cannot be delivered immediately is because the receiver may be actively modifying its own state in another shard.

- *Minimizing Communication Latency*

Latency is the time it takes for one account to send an Action to another account and then receive a response. The goal is to enable two accounts to exchange Actions back and forth within a single block without having to wait 0.5 seconds between each Action. To enable this, the EOS.IO software divides each block into cycles. Each cycle is divided into shards and each shard contains a list of transactions. Each transaction contains a set of Actions to be delivered. This structure can be visualized as a tree where alternating layers are processed sequentially and in parallel.

Block

Region

Cycles (sequential)

Shards (parallel)

Transactions (sequential)

Actions (sequential)

Receiver and Notified Accounts (parallel)

Transactions generated in one cycle can be delivered in any subsequent cycle or block. Block producers will keep adding cycles to a block until the maximum wall clock time has passed or there are no new generated transactions to deliver.

It is possible to use static analysis of a block to verify that within a given cycle no two shards contain transactions that modify the same account. So long as that invariant is maintained a block can be processed by running all shards in parallel.

- *Read-Only Action Handlers*

Some accounts may be able to process an Action on a pass/fail basis without modifying their internal state. If this is the case, then these handlers can be executed in parallel so long as only read-only Action handlers for a particular account are included in one or more shards within a particular cycle.

- *Atomic Transactions with Multiple Accounts*

Sometimes it is desirable to ensure that Actions are delivered to and accepted by multiple accounts atomically. In this case both Actions are placed in one transaction and both accounts will be assigned the same shard and the Actions applied sequentially.

- *Partial Evaluation of Blockchain State*

Scaling blockchain technology necessitates that components are modular. Everyone should not have to run everything, especially if they only need to use a small subset of the applications.

An exchange application developer runs full nodes for the purpose of displaying the exchange state to its users. This exchange application has no need for the state associated with social media applications. EOS.IO software allows any full node to pick any subset of applications to run. Actions delivered to other applications are safely ignored if your application never depends upon the state of another contract.

- *Subjective Best Effort Scheduling*

The EOS.IO software cannot obligate block producers to deliver any Action to any other account. Each block producer makes their own subjective measurement of the computational complexity and time required to process a transaction. This applies whether a transaction is generated by a user or automatically by a smart contract.

On a launched blockchain adopting the EOS.IO software, at a network level all transactions are billed a computational bandwidth cost based on the number of WASM instructions executed. However, each individual block producer using the software may calculate resource usage using their own algorithm and measurements. When a block producer concludes that a transaction or account has consumed a disproportionate amount of the computational capacity they simply reject the transaction when producing their own block; however, they will still process the transaction if other block producers consider it valid.

In general, so long as even 1 block producer considers a transaction as valid and under the resource usage limits then all other block producers will also accept it, but it may take up to 1 minute for the transaction to find that producer.

In some cases, a producer may create a block that includes transactions that are an order of magnitude outside of acceptable ranges. In this case the next block producer may opt to reject the block and the tie will be broken by the third producer. This is no different than what would happen

if a large block caused network propagation delays. The community would notice a pattern of abuse and eventually remove votes from the rogue producer.

This subjective evaluation of computational cost frees the blockchain from having to precisely and deterministically measure how long something takes to run. With this design there is no need to precisely count instructions which dramatically increases opportunities for optimization without breaking consensus.

- *Deferred Transactions*

EOS.IO Software supports deferred transactions that are scheduled to execute in the future. This enables computation to move to different shards and/or the creation of long-running processes that continuously schedule a continuance transaction.

E. Token Model and Resource Usage

All blockchains are resource constrained and require a system to prevent abuse. With a blockchain that uses EOS.IO software, there are three broad classes of resources that are consumed by applications:

- i. Bandwidth and Log Storage (Disk);
- ii. Computation and Computational Backlog (CPU); and
- iii. State Storage (RAM).

Bandwidth and computation have two components, instantaneous usage and long-term usage. A blockchain maintains a log of all Actions and this log is ultimately stored and downloaded by all full nodes. With the log of Actions, it is possible to reconstruct the state of all applications.

The computational debt is calculations that must be performed to regenerate state from the Action log. If the computational debt grows too large then, it becomes necessary to take snapshots of the blockchain's state and discard the blockchain's history. If computational debt grows too quickly then it may take 6 months to replay 1 year worth of transactions. It is critical, therefore, that the computational debt be carefully managed.

Blockchain state storage is information that is accessible from application logic. It includes information such as order books and account balances. If the state is never read by the application, then it should not be stored. For example, blog post content and comments are not read by application logic, so they should not be stored in the blockchain's state. Meanwhile the existence of a post/comment, the number of votes, and other properties do get stored as part of the blockchain's state.

Block producers publish their available capacity for bandwidth, computation, and state. The EOS.IO software allows each account to consume a percentage of the available capacity proportional to the amount of tokens held in a 3-day staking contract. For example, if a blockchain based on the EOS.IO software is launched and if an account holds 1% of the total tokens distributable pursuant to that blockchain, then that account has the potential to utilize 1% of the state storage capacity.

Adopting the EOS.IO software on a launched blockchain means bandwidth and computational capacity are allocated on a fractional reserve basis because they are transient (unused capacity cannot be saved for future use). The algorithm used by EOS.IO software is similar to the algorithm used by Steem to rate-limit bandwidth usage.

- *Objective and Subjective Measurements*

As discussed earlier, instrumenting computational usage has a significant impact on performance and optimization; therefore, all resource usage constraints are ultimately subjective, and enforcement is done by block producers according to their individual algorithms and estimates. These would typically be implemented by a block producer via the writing of a custom plugin.

That said, there are certain things that are trivial to measure objectively. The number of Actions delivered, and the size of the data stored in the internal database are cheap to measure objectively. The EOS.IO software enables block producers to apply the same algorithm over these objective measures but may choose to apply stricter subjective algorithms over subjective measurements.

- *Receiver Pays*

Traditionally, it is the business that pays for office space, computational power, and other costs required to run the business. The customer buys specific products from the business and the revenue from those product sales is used to cover the business costs of operation. Similarly, no website obligates its visitors to make micropayments for visiting its website to cover hosting costs. Therefore, decentralized applications should not force its customers to pay the blockchain directly for the use of the blockchain.

A launched blockchain that uses the EOS.IO software does not require its users to pay the blockchain directly for its use and therefore does not constrain or prevent a business from determining its own monetization strategy for its products.

While it is true that the receiver can pay, EOS.IO enables the sender to pay for bandwidth, computation, and storage. This empowers application developers to pick the method that is best for their application. In many cases sender-pays significantly reduces complexity for application developers who do not want to implement their own rationing system. Application developers can delegate bandwidth and computation to their users and then let the “sender pays” model enforce the usage. From the perspective of the end user it is free, but from the perspective of the blockchain it is sender-pays.

- *Delegating Capacity*

A holder of tokens on a blockchain launched adopting the EOS.IO software who may not have an immediate need to consume all or part of the available bandwidth, can delegate or rent such unconsumed bandwidth to others; the block producers running EOS.IO software on such blockchain will recognize this delegation of capacity and allocate bandwidth accordingly.

- *Separating Transaction costs from Token Value*

One of the major benefits of the EOS.IO software is that the amount of bandwidth available to an application is entirely independent of any token price. If an application owner holds a relevant number of tokens on a blockchain adopting EOS.IO software, then the application can run indefinitely within a fixed state and bandwidth usage. In such case, developers and users are unaffected from any price volatility in the token market and therefore not reliant on a price feed.

In other words, a blockchain that adopts the EOS.IO software enables block producers to naturally increase bandwidth, computation, and storage available per token independent of the token's value.

A blockchain using EOS.IO software also awards block producers tokens every time they produce a block. The value of the tokens will impact the amount of bandwidth, storage, and computation a producer can afford to purchase; this model naturally leverages rising token values to increase network performance.

- *State Storage Costs*

While bandwidth and computation can be delegated, storage of application state will require an application developer to hold tokens until that state is deleted. If state is never deleted, then the tokens are effectively removed from circulation.

- *Governance*

Governance is the process by which people in a community:

Reach consensus on subjective matters of collective action that cannot be captured entirely by software algorithms;

Carry out the decisions they reach; and

Alter the governance rules themselves via Constitutional amendments.

An EOS.IO software-based blockchain implements a governance process that efficiently directs the existing influence of block producers. Absent a defined governance process, prior blockchains relied ad hoc, informal, and often controversial governance processes that result in unpredictable outcomes.

A blockchain based on the EOS.IO software recognizes that power originates with the token holders who delegate that power to the block producers. The block producers are given limited and checked authority to freeze accounts, update defective applications, and propose hard forking changes to the underlying protocol.

Embedded into the EOS.IO software is the election of block producers. Before any change can be made to the blockchain these block producers must approve it. If the block producers refuse to make changes desired by the token holders then they can be voted out. If the block producers make changes without permission of the token holders then all other non-producing full-node validators (exchanges, etc) will reject the change.

- *Constitution*

The EOS.IO software enables blockchains to establish a peer-to-peer terms of service agreement or a binding contract among those users who sign it, referred to as a "constitution". The content of this constitution defines obligations among the users which cannot be entirely enforced by code and facilitates dispute resolution by establishing jurisdiction and choice of law along with other mutually accepted rules. Every transaction broadcast on the network must incorporate the hash of the constitution as part of the signature and thereby explicitly binds the signer to the contract.

The constitution also defines the human-readable intent of the source code protocol. This intent is used to identify the difference between a bug and a feature when errors occur and guides the community on what fixes are proper or improper.

F. Decentralized Coded Escrow Contract

The primary application of the North American Transaction System is the Decentralized Coded Escrow Contract. This contract uses the EOS.IO protocol to communicate between King Dollar Club members and enabling each of the individuals to leave a record of the transaction on the EOS.IO immutable ledger. The immutable ledger prevents any third party from editing or erasing the comments left by the transactors.

- ***Step 1 – Create Contract***

User 1 will create an escrow agreement with the following

- a. Item name - a unique identifier
- b. Item description
- c. Ricardian which includes the price (multiple currencies are fine) and other miscellaneous information required for a proposal.
- d. Certificate to indicate proof of ownership of the data?
- e. Image hash
- f. Deposit (staked balance) sent to the escrow account. The amount required to be staked by User 1 will change depending upon exchange value of King Certificates & Energy reWards. This eliminates the capability for a bad actor to spam the Decentralized Coded Escrow Contract application. Transaction fees assigned to the Staked Balance are delegated to the King Dollar Trust while the contract remains open to allow King Dollar Money Limited to cover any fees.

- ***Step 2 – Accept/Counter Contract***

User 2 will create a proposal with the following (user is now the escrow agent)

- a. Item name - a unique identifier
- b. Accepted: False (will switch to True when user 1 accepts)
- c. Deposit (staked balance) sent to the escrow account as stated in the Ricardian.
- d. Memo: User 2 information which complies with the requirements stated out in the Ricardian.
- e. Completed: False (will switch to True when user 2 confirms having received in person the good or service)
- f. Review: *
- g. Counter-Review: *

Both f. and g. are modifiable only after the completion of an escrow agreement (i.e. when Completed is set to True)

- ***Step 3 – Accept/Decline Proposal***

User 1 will review and either accept or decline the proposal.

If it is declined, end.

If it is accepted, Accepted -> True.

Off-chain software can monitor this transition from False to True.

- ***Step 4 – Release of Private Information***

Off-chain software releases personal information of user 1 to user 2 – These individuals can then meet in person to exchange goods & services.

User 2 will then confirm the completion of the escrow agreement and sets the Completed flag to True.

This unlocks the deposited funds in the escrow agreement (from user 1) and the proposal (from user 2) is paid out to user 1.

- ***Step 5 – Transaction Fee Distribution***

The transaction fee is assessed on the King Certificates sent to the receiving address.

The transaction fees will pool in an allocated account until the accounts request distribution.

Requesting distribution of the transaction fees will update the blockchain and associated values, for this reason, to minimize computation and storage costs the distribution will be required to achieve a specific balance before the owner can request distribution.

- ***Step 6 – Record Transaction Experience***

Both User 1 and User 2 will be afforded the opportunity to record their experience of the transaction (when applicable) in order to supply knowledge for future transactions.

Implementing this capability will create a self-healing network of good actors who supply truthful information to the NATS Network.

G. North American Transaction System Use Cases

The Company will establish the North American Transaction System, a decentralized application, to compete with the non federal no reserve banking cartel. This new transaction system proposed by King Dollar Money Limited provides a legal and lawful money transaction platform between members without an intermediary to replace federal reserve notes and claims on federal reserve notes, “USD”. No actions by any politicians or regulators are required to make NATS legal and lawful.

The Company will provide legal tender money (U.S. Mint Dollars of Silver) and cryptocurrency coupled with a Decentralized Coded Escrow Contract for primary and secondary transactions within the economy while the underlying property (currency) is held in a Trust. This includes Craigslist and NextDoor barter transactions.

The Decentralized Coded Escrow Contract uses Distributed Ledger Technology to enable buyers to submit payment into escrow, receive the seller’s private information and become their own escrow agent to complete the transaction. This benefits sellers because they do not need to waste time and energy dealing with scammers and “looky-loo’s”. Future participants benefit because a record/opinion of the transaction can be logged on an immutable ledger. Owners of King Dollars (certificates for U.S. Mint Dollars of Silver) benefit because 25% of transaction fees are distributed to these certificate owners. Member participants who own Energy reWards benefit because the one million Energy reWards (hard cap) receive 73% of the transaction fees.

NATS focuses on U.S. Mint Dollars of Silver and will link digital certificates of this money to the productive economy to enable efficient transfers of energy and energy derivatives without taxes.

- ***Commodity Return on Currency Invested Framework***

The Commodity Return on Currency Invested (CRCI) Framework should be viewed upon with an underlying assumption of the future desire by humans for consumption or storage, and therefore the continued strengthening and weakening of potential exchange/trade value of the produced commodity.

Focused on a specific commodity or group of commodities, the CRCI Framework presents probabilistic functions projecting both the potential of variable future production and exchange rates.

The CRCI Framework focuses on: Man, Material, and Land, when considering the energy required to startup and sustain the production of the commodity of interest. If a consumer wanted to acquire the commodity or share in the production then there would be demand to offer forward-delivery contracts. Forward-delivery contracts would set in currency, for both the producer & consumer, the value of a defined portion of the production potential. In such cases, the producer would then be focused on both efficiency gains and delivery targets.

Mathematical calculations of potential scenarios using Monte Carlo Simulation methods would provide distributions of potential given the underlying data and expert opinions. Point estimates used by out dated methodologies of Internal Rate of Return and Discounted Cash Flows would be pushed aside in favor of more explanatory probability distribution functions and confidence intervals.

CRCI offers a Project Verification; Validation; Accreditation process derived from an algorithm model building VV&A. The Project Verification-Validation-Accreditation model presents a transparent, decentralized process to evaluate and value the productive capacity of land or an idea.

- ***Metal Miner Invoice Factoring***

By implementing the CRCI Framework and Metal Miner Invoice Factoring, King Dollar Money Limited will separate the exchange value of King Dollars (U.S. Mint Dollars of Silver) from the futures market “spot price” and enable commodities to free float between one another based upon desire of each individual to acquire. King Dollars earn a yield and have no holding cost creating a situation where these certificates for Legal Tender U.S. Mint Dollars of Silver cannot be valued in the Internal Rate of Return or Discounted Cash Flow methodologies. Marc Ward has proven that the CME Group announces the exchange rates in “USD” for contracts for non-deliverable and taxable 1,000 bars of silver. These contracts settle in “USD” and are not Legal Tender. The Decentralized Coded Escrow Contract and the CRCI Framework will enable individuals to trade and utilize deliverable, nontaxable 1 oz U.S. Mint Dollars of Silver that have a yield, utility, no holding cost and divisible as required.

The exchange rates of King Dollars will increase because the Company will initiate Metal Miner Invoice Factoring while King Dollars are exclusive not tradeable for “USD” or any federal reserve notes (per U.S. Treasury “federal reserve notes have no value”).

Metal Miner Invoice Factoring is a concept developed by Marc Ward and Drew Piacine. Using King Dollars (digital certificates for U.S. Mint Dollars of Silver) as collateral, the USA Partnership can acquire precious metal miner invoices in exchange for their metal doré. The Company will then find a 3rd party (industrial user, corporate user or individuals) to complete the invoice payment in exchange for the precious metal doré acquired through the invoice factoring. The excess margin of metal doré will then be distributed, tax free, between to the King Dollar Owners, the USA Partnership (through ownership of Energy reWards) and the Company.

Metal Miner Invoice Factoring will cut off the perceived supply of precious metals to the CME Group brokers and give rise to the situation where no one will listen to the CME Group announcements because their contracts do not deliver any physical metal. This will create competition for the narrow supply of silver and gold doré and in return drive up exchange rates of these precious metals. Miners will enjoy the increase in exchange rates of their produced commodity and flock to Metal Miner Invoice Factoring for their benefit. An increase in exchange rates (value) with limited supply and unique utility will engage a positive feedback giffen good psychological effect while no taxes are owed to any State or Corporation given State Legal Tender laws and the United States Mining Law of 1872.

The impact to the non federal no reserve debt banking cartel from the Mathematics and utility underlying decentralized cryptocurrencies cannot be understated. A benefit not well advertised from the use and implementation of cryptocurrencies is the ability to reduce counterparty risk. Currently all entities rely on the non federal no reserve debt banking system to settle payments and transfers of energy.

Given the fact that currencies are economic giffen goods, individuals will be attracted to an increasing strength. The mathematically encoded scarcity induces a deflationary power as more individuals bring their desire, time and energy to these decentralized protocols.

Metcalf's law and the knowledge that distributed ledgers are in fact telecommunications networks, the value of any protocol is proportional to the number of interconnected people squared. The giffen good psychological effect creates a positive feedback loop and manifests a self actualizing currency to be used by those individuals to settle payments or track goods and services. While cryptocurrencies are getting easier to use every day and security is very strong, the leap to daily use has, so far, been hard for the mainstream public. The utility of legal tender silver backed up by cryptography and Distributed Ledger (blockchain) Technology aims to solve these issues.

- ***North American Commodity Delivery Association***

USA Partners will setup an Association to be governed by King Dollar Money Limited in order to become the trusted agent in closing blockchain based metal doré and commodity delivery contracts. Private property in the State of Nevada is identified as the ideal location to establish a new commodity delivery mechanism given Nevada's supportive blockchain Laws and private property rights. The North American Commodity Deliver Association will start with Silver, Gold and Lithium doré and quickly become the regional exchange rate price feed for all North American residents who seek to value their produced commodity.

- ***North American Transaction System Benefits:***

1. Not Taxable Property

Legal tender is a special kind of personal property, constituting government authorized coins, currencies and bank notes legally approved to serve as a medium of exchange and for payment of public and private obligations. When used as a medium of exchange, legal tender is expressly exempt from taxation, per se. However, typical cryptocurrencies are not treated this way. On March 26, 2014 The United States Internal Revenue Service (“IRS”) released Notice 2014-21, IRS Virtual Currency Guidance.

Notice 2014-21 first reaffirms that virtual currencies, such as Bitcoin do “not have legal tender status in any jurisdiction,” and then goes on to state that “[i]f the fair market value of property received in exchange for virtual currency exceeds the taxpayer’s adjusted basis of the virtual currency, the taxpayer has a taxable gain.” In other words, without legal tender status, the “means of the exchange” is regarded as a separate part of the trade and is also measured in transactions, regardless of whether the trading of other property might otherwise be tax neutral.

2. United States Constitution Authorized Payments of Debt

In stark contrast to the bookkeeping obstacles and complexities of barter transactions, which require tracking the taxpayer’s tax basis in the non-legal-tender medium of exchange, federal law simply provides:

“United States coins and currency (including federal reserve notes and circulating notes of federal reserve banks and national banks) are legal tender for all debts, public charges, taxes, and dues.”

U.S. Mint precious metal coinage is expressly included within the definition of legal tender. Moreover, recent years have witnessed a growing trend among the several States to adopt legislation expressly recognizing U.S. minted precious metal coin as legal tender. Such action reinforces existing federal law while also constituting an exercise of each State’s reserved right under the United States Constitution which provides that “No State shall ... make anything but gold and silver coin a tender in payment of debts.”

For example, in 2011 the Utah legislature adopted the Specie Legal Tender Act by which it became the first State in more than a century to expressly recognize gold and silver coin as a legally authorized medium of exchange and to eliminate state capital gains taxes on the same. Amendments adopted in 2012 dealt with how to calculate and remit sales taxes on purchases consummated in specie legal tender. In 2014, Oklahoma adopted similar specie legal tender legislation. That same year Texas and Louisiana enacted elements of the foregoing, and Texas even authorized a state-run, gold repository. In 2017, Arizona likewise recognized specie legal tender and abolished state capital gains taxes on gold and silver. At present, five states have laws expressly recognizing gold and silver coin as legal tender, including two statutes that date from the 19th century.

The U.S. Supreme Court recognized in *Lane County v. Oregon*, 74 U. S. 71 (1868) that in the performance of its “essential functions” a State possesses broad powers to specify acceptable tender for the payment of taxes:

If, therefore, the condition of any State, in the judgment of its legislature, requires the collection of taxes in kind, that is to say, by the delivery to the proper officers of a certain proportion of products, or in gold and silver bullion, or in gold and silver coin, it is not easy to see upon what principle the national legislature can interfere with the exercise, to that end, of this power, original in the States, and never as yet surrendered. Whether paying for goods or services specie legal tender is an authorized medium of exchange.

3. Allows for Choice in Currency

Functionally, the United States today has five distinct legal tender currency standards—Gold, Silver, Platinum, and base metal coins, as well as the federal reserve note.

Silver is finite commodity currency while a federal reserve note is infinite debt currency.

Silver bullion stores the human energy and effort that went into creating the coin and its exchange value is dependent upon the collective desire for this stored human effort at that moment in time. A Federal Reserve Note represents a Cabal-Owes-You from the Federal Reserve Cabal. This Cabal-Owes-You is not redeemable for any commodity, but, illogically, only redeemable for another Cabal-Owes-You promise (if you can access the private property at the non federal no reserve cabal).

Legally the United States Code does not define a "dollar" while the courts have attempted to: "a dollar is a dollar regardless of the physical embodiment of the currency."

In the real world, however, the kind of currency exchanged carries enormous implications.

As fiduciary for the King Dollar Trust, King Dollar Money Limited will be responsible for the management and accounting of the certificates under the King Dollar EOS account to ensure every King Dollar and King Certificate is redeemable in the appropriate amount of U.S. Mint Silver Dollars and cryptocurrency.

Any user who acquires a King Dollar certificate will NOT be responsible for the vaulting or insurance cost of the underlying coins. To cover this incremental cost required to safely store Dollars of Silver, King Dollar Money Limited has derived a number of future funding sources ensuring the ability to maintain the trust of the King Dollar user base.

The reason King Dollar Money Limited chose U.S. Mint Silver 1 ounce coins is simple: utility, consumption and stored energy.

Given the digital age we entered in the 1960's, the tech industry began to consume silver at an increasing rate. This created a new utility for silver and a deflationary power not yet realized as silver mined though centuries was consumed in electronics, photography and health. This new demand is a pivotal reason silver was withdrawn from dimes and half dollars after John F. Kennedy was killed.

4. Unique Transaction Fee Allocation

99% of the transaction fees assessed stay within the Trust and allocated to the USA Partners according to their ownership of Energy reWards and King Dollars.

The transaction fees charged for each coded escrow contract are small (0.2% or 0.05%). To receive a lower transaction fee, members will need to own either hold either 20 Energy reWards, 20 King Dollars or 100 King E Certificates (subject to decrease with advanced notice).

The fees generated from each transaction are split between King Dollar Owners (25%), Energy reWard Owners (73%), the Club referrer (1%), and (1%) split between City/County/State accounts.

Transaction Fee Breakdown	Basis Points (10,000)
Energy Rewards	7,300
King Dollar Owner Pool	2,500
Referrer	100
County of member	50
City of member	25
State of member	25

The Company incentivizes individuals to join the Club by rewarding them with Energy reWards. The quicker an individual enters the Club the larger amount of Energy reWards they will earn.

The Company sees the necessity to provide disbursements over public ledgers to State, County and City officials in order to provide transparent and auditable revenue for the King Dollar Trust beneficiaries' communities.

King Dollar Money Limited has dictated that there **will ever only be 1,000,000 Energy reWards**. The amount of rewards listed in the table below will be given to those individuals who join the respective bracket based upon the number of individuals who join the Club before them. The first 10,000 who reserve a position in the King Dollar Club Line receive 19 Energy reWards each.

Recipient	Energy Rewards
Total (ever)	1,000,000
King Dollar Trust Vault	340,000
King Dollar Money Limited	330,000
Join Join Join THE Line Line Line	330,000
First 10,000	190,000
Next 100,000	70,000
Next 1,000,000	40,000
Next 10,000,000	20,000
Next 100,000,000	10,000

H. Cryptocurrency aWards (Crypto aWards)

Cryptocurrency aWards, also known as Crypto aWards, are exclusive to the USA Partnership and the King Dollar Trust. For the first time individuals can opt-in and use their excess computing power and electricity in order to earn deferred income exempt from capital gains by mining cryptocurrency directly into the King Dollar Trust. When Limited Partners of the USA Partnership mine cryptocurrencies directly to a King Dollar Trust owned cryptocurrency address they receive 98% of the generated property in the form of King Certificates ready to be spent via Decentralized Coded Escrow Contracts. The remaining 2% from the block reward is allocated to the Energy reWard owners.

This is a revolutionary concept because members of the King Dollar Club can strengthen the network effect of the Proof of Work cryptocurrencies used by the NATS Network while earning spendable digital currency units without owning the private keys of the underlying cryptocurrency. Without owning the private keys, the King Dollar Trust beneficiaries see all the benefits of mining cryptocurrency without ever setting a cost basis in “USD”. When members own computing power but do not pay for their electricity, the Crypto aWard benefit is prodigal.

In effect, Crypto aWards are no different than Airline Corporations allowing a customer’s computer power to earn the individual excess Corporate Airline points. These same airline points are not considered income and can only be spent within the Corporation’s network on goods and services. There are very real limitations to Corporate Airline point systems as no customer knows how many points a particular airline has issued at any one time. Also, there is no capability to exchange one Airline’s points for another Airline’s points. However, the Crypto aWard offering provides unique benefits to the individual who earns them. Linked to the Decentralized Coded Escrow Contract, Crypto aWards are delivered to the beneficiary in the form of King Certificates and can immediately be spent within the NATS Network without an intermediary for goods or services, exchanged for other King Certificates or withdrawn to an individual’s private key.

Crypto aWards strengthen the cryptocurrency protocols the USA Partnership supports and increases the value of the NATS Network without generating any tax liability from the computing power work performed.

Cryptocurrency aWards and the King Certificates they generate change the game for individuals and communities. Now, money will grow from computers with input of electricity.

I. King Metal Cards

The Company will use the protection of the Mining Law of 1872 to produce cryptographic verified semi-refined precious metal cards in order to distribute tax-free income to USA Partners. These King Metal Cards will be infused with a documented weight of precious metal doré to enable USA Partners to complete non-digital private peer-to-peer transactions. These King Metal Cards will replace “cash” just like King Certificates will replace “USD”. The documentation of the weight and purity of the printed metal will be published on immutable ledgers and can be verified without an intermediary. The capability to insert Yubico’s Yubikey technology makes these King Metal Cards both viable and disruptive to the global economy.

J. King Dollar and King Crypto Redemption

In order to redeem a King Dollar certificate for delivery of the underlying Legal Tender, King Dollar Money Limited will require:

1. The user to become a member of the United Precious Metals Association
2. King Dollar certificates sent to a smart contract to ensure data integrity and eliminate double spending
3. An independent Escrow agent to verify data integrity
4. Once verified and approved, the King Dollar Trust will transfer from their UPMA account the exact number of King Dollars to the user's UPMA account.
5. Once UPMA confirms transaction, the smart contract holding the King Dollars will burn those certificates as they no longer represent circulating King Dollars backed by Legal Tender Dollars of Silver.

In order to request withdrawal of King Crypto Certificates, King Dollar Trust beneficiaries must own the King Crypto Certificates in their EOS.IO account and supply a viable public key to which the King Dollar Money Limited software will send the currency units to. These beneficiaries then engage with a Decentralized Coded Withdrawal Contract in order to burn the King Certificates and receive the cryptocurrency to their personal public key.

K. Security

The North American Transaction System will provide three levels of security available to USA Partners in order to protect their ownership of King Certificates (details available upon NATS launch):

1. Password security
2. Physical Token security (ex: yubico's [yubikey](#))
3. Fingerprint authentication security

L. Forward-looking Statements

This White Paper contains forward-looking statements and uncertain factors. These statements are not based on historical fact but relate to King Dollar Money Limited and King Dollar Trust future activities and performance.

They include statements about future strategies and anticipated benefits of these strategies.

These statements are subject to risks and uncertainties. Actual results may differ substantially from those stated in any forward-looking statement. This is due to a number of factors, including King Dollar Money Limited and King Dollar Trust may decide not to implement these strategies and the possibility that the anticipated benefits of implemented strategies are not achieved. King Dollar Money Limited assumes no obligation to update or revise information included in this White Paper.

M. References

1. <https://eos.io/resources#eosio>
2. <https://github.com/EOSIO/Documentation/blob/master/TechnicalWhitePaper.md>
3. upma.org
4. <https://steemit.com/introduceyourself/@dantheman/daniel-larimer--co-founder-of-bitshares-steemit>
5. Statutory imperative that the U.S. Treasury produce silver legal tender coin in quantities “sufficient to meet public demand” 31 U.S.C.A. § 5112(e) & (i)(1).
6. The IRS has stated that it may not push the application of the rule to the “coffee” level, but wherever the lines will be drawn, it will undoubtedly still pose transaction-tracking problems.
7. 31 USC § 5103.
8. 31 USC § 5112(h).
9. United States Constitution, Article 1 §10 cl. 4.
10. Utah Code Annotated (UCA) § 59-1-1501, et seq.
11. Oklahoma Statutes § 62-4500.
12. Arizona Revised Statutes Annotated § 43-1121, et seq.
13. Colorado Revised Statutes Annotated § 11-61-101; Vernon's Annotated Missouri Statutes § 408.010.
14. 31 U.S.C. §§ 5103 & 5112.
15. 31 U.S.C. § 5119(a). Significantly, this statutory mandate invokes the market test of “purchasing power”, not merely parity of nominal face value. To this end, Congress has provided the secretary with a variety of statutory tools. These include the directive to buy and sell precious metals from the country’s reserves (Id.) as well as the requirement that all proceeds from the sale of gold be used “for the sole purpose of reducing the national debt.” 31 U.S.C. § 5116(2) (Reagan’s Golden Rule).
16. *Crummey v. Klien*, 295 Fed.Appx. 625 (5th Cir. 2008), following *Thompson v. Butler*, 95 U.S. 694 (Supreme Ct. 1877).
17. 31 U.S.C.A. § 5116(2).
18. 31 U.S.C.A. § 5112(e) & (i)(1).
19. Greenspan, Alan. *Capitalism, the Unknown Ideal*, 1967.
20. Griffin, G. Edward. *The Creature From Jekyll Island*, American Media, 2010, p. 312.
21. 31 U.S.C.A. § 5112(e) & (i)(1).
22. 31 U.S.C. § 5119(a). Significantly, this statutory mandate invokes the market test of “purchasing power”, not merely parity of nominal face value. To this end, Congress has provided the Secretary with a variety of statutory tools. These include the directive to buy and sell precious metals from the country’s reserves (Id.) as well as the requirement that all proceeds from the sale of gold be used “for the sole purpose of reducing the national debt.” 31 U.S.C. § 5116(2) (Reagan’s Golden Rule).
23. *Crummey v. Klein*, 295 Fed.Appx. 625, 627 (5th Cir. 2008).
24. *Thompson v. Butler*, 95 U.S. 694 (1877).
25. See, Rev. Rul. 68-634, 1968-2 CB 46; Rev.Rul. 78-360, 1978-2 C.B. 228; *Cordner*, 45 AFTR2d 80-1677 (DC Calif., 1980); *California Federal Life Insurance Co. v. Commissioner of Internal Revenue*, 680 F.2d 85 (9th Cir. 1982), affg. 76 T.C. 107 (1981);

- Joslin v. United States*, 666 F.2d 1306 (10th Cir. 1981), affg. 1981 WL 186; *Cordner v. United States*, 671 F.2d 367 (9th Cir. 1982); *Lary v. Commissioner of Internal Revenue*, 842 F.2d 296 (11th Cir. 1988).
26. *Smith v. Commissioner of Internal Revenue*, T.C. Memo. 1998-148 and *United States v. Kahre*, 2007 WL 1521064.
27. *Thorne and Wilson v. Utah State Tax Commission*, 681 P.2d 1237, 1239 (Utah 1984).
28. *Ibid.* at 1239.
29. 26 USCA §6702.
30. 31 USC § 5116(2).
31. 31 USC §§ 5112(e)(i)(1) & 5116 (a)(3)